MONTAGUE ENERGY COMMITTEE

July 21, 2014

Montague Energy Committee
1 Avenue A
Turners Falls, MA 01376

The Honorable Deval L. Patrick
Governor of the Commonwealth of Massachusetts
Office of the Governor, Room 105
Boston, MA 02133

Dear Governor Patrick:

As an energy committee in Massachusetts, we are committed to the goals of greenhouse gas emission reductions set by the Massachusetts Clean Energy Climate Plan for 2020 and to our Green Community goal of reaching and exceeding a 20% reduction in municipal energy consumption within five years of becoming a Green Community. We are approaching that 20% reduction and actively pursuing new grants and energy-saving actions.

In our advisory role, we are carefully examining the impact of the proposed Tennessee Gas Pipeline (TGP) that is currently planned to go through our town, and we are looking at whether or not this pipeline meshes with state and municipal climate goals.

While natural gas has been a useful transitional fuel that has helped Massachusetts move away from more polluting fossil fuels, especially coal and fuel oil, natural gas has served its purpose. We believe that the state should now shift away from fossil fuels and focus on energy efficiency and renewables. As one of the recognized leaders in both arenas, Massachusetts is well positioned to accelerate its promotion and adoption of these strategies and to continue to serve as a model for other states.

It is unclear to us that a new transmission pipeline is necessary to meet Massachusetts's current and future energy demands or that it is needed to ensure electric and heating reliability. From our review of public documents, the interest in additional gas transmission pipelines seems to be driven by the desire to reduce peak winter price spikes, rather than by a lack of gas capacity. We ask whether recent price increases in natural gas are a valid justification for expanded pipeline infrastructure.

Secondly, given that questions are increasingly arising about how much methane, a potent greenhouse gas, is released throughout the production, transmission, and local distribution of natural gas, particularly that produced by hydraulic fracturing, we wonder if other approaches to addressing peak cost spikes would be more in keeping with state energy goals.

The Conservation Law Foundation's report, *Into Thin Air*, indicates that natural gas *distribution* pipelines in Massachusetts are a very significant source of methane leakage. It recommends that, "Before we invest in costly new transmission lines and other natural gas infrastructure, we must address these avoidable system losses, and we must increase the efficiency of the existing system."

The report also states that "eliminating these fugitive emissions [from local gas distribution pipelines] could help Massachusetts to achieve between 2.5% to 15% of the total reductions required by 2020 ...Meeting the Commonwealth's mandate to reduce greenhouse gas emissions by 25% below 1990 levels by 2020 and 80% below 1990 levels by 2050 **requires** the Commonwealth to address this substantial source [of greenhouse gas emissions]."

In light of the degree of fugitive methane losses from existing gas pipelines and the likely methane leaks from the hydraulic fracturing process which will supply the proposed pipeline, the Montague Energy Committee questions whether a new gas pipeline such as that proposed by TGP, that would commit the state to additional long term gas use, is in keeping with the mandated greenhouse gas reductions.

The committee instead asks that you consider other solutions to addressing the price spikes. According to the Conservation Law Foundation's May 30, 2014 letter to the New England States Committee on Electricity, "[energy efficiency] solutions are especially effective in dealing with a capacity issue that is as limited in time and scope as the "basis differential" problem that primarily presents itself in needle peaks [for very short time spans] during the winter heating season."

The Black and Veatch report to the New England States Committee on Electricity projects that a low demand energy scenario which "assumes no growth in natural gas demand in the residential, commercial, and industrial sectors" as a result of energy efficiency and distributed renewable energy resources, "will eliminate most regional constraints."

We believe that any new tariff on Massachusetts's ratepayers, which should be established through an open public process, would be best used to expand energy efficiency and renewable energy programs to attain the low demand scenario put forth by Black and Veatch, rather than to install a new gas transmission pipeline that commits us to decades of gas use and its greenhouse gas impacts.

We recommend that Massachusetts fix leaks in the existing gas pipeline infrastructure, employing local workers to do so; deepen its investment in cost-effective and job producing energy efficiency, renewable energy and energy storage; identify market reforms and options, such as LNG, for reducing near term gas price spikes, and lead the New England region by our example as a state committed to investing in a fossil-free, clean energy future.

We view these approaches as in keeping with the New England Governors' commitment to "enhanc[ing] the system reliability, and protect[ing] and increas[ing] the quality of life of our citizens."

We would ask that these questions, concerns, and recommendations be publicly discussed and addressed in the development of state policy.

Thank you for considering our input.

Sincerely,

Chris Mason
Chair, Town of Montague Energy Committee
This letter was endorsed by the Montague Energy Committee on 6/24/14.

Cc: Ann G. Berwick, Chair, MA Department of Public Utilities, MA Representative Stephen Kulik, MA Senator Stanley C. Rosenberg, U.S. Representative James P. McGovern, U.S. Senator Elizabeth Warren, U.S. Senator Edward J. Markey, Montague Board of Selectmen